



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

March 17, 1995

Frost National Bank
600 Jefferson @ Smith
P. O. Box 1315
Houston, Texas 77256

Attention: Ms. Sharon Albert
Sr. Vice President

Re: Certificate of Deposit for Seep Ridge Project, Geokinetics Inc., ML 45256 (Oil Shale), M/047/002, Uintah County, Utah

This is in regards to regulatory requirements of the mining statute and rules of the State of Utah, Division of Oil, Gas and Mining, governing the operations and reclamation of the Seep Ridge Project, Permit Number M/047/002, operated by Geokinetics Inc.

At the request of Geokinetics Inc., a \$100,000 Certificate of Deposit dated March 10, 1995, has been issued by Frost National Bank for an initial term of six (6) months, which Certificate, unless earlier redeemed as provided herein, shall be automatically renewed for a six (6) month term upon expiration. The CD has been made out in the name of ~~the State of~~ Geokinetics Inc., Utah, Division of Oil, Gas and Mining and the School and Institutional Trust Lands Administration. All interest earned by the Certificate of Deposit for the first three (3) months will be added back to the Certificate of Deposit. After that, the interest earned will be dispersed quarterly and deposited into Geokinetics Inc.'s account at Frost National Bank. If the Certificate is redeemed before the maturity date and the penalty reduces the face value of \$100,000, the State of Utah, Division of Oil, Gas and Mining will look to Geokinetics Inc. for reimbursement of that loss. If redeemed after the maturity date, then \$100,000 will go to the State of Utah, Division of Oil, Gas and Mining and the remaining balance will go to Geokinetics Inc.'s account. The Certificate of Deposit can only be redeemed by the joint signatures of the State of Utah, Division of Oil, Gas and Mining and the School and Institutional Trust Lands Administration.

If the statute or rules of the State of Utah, Division of Oil, Gas and Mining are violated, with respect to the operation of reclamation of the Seep Ridge Project covered by this surety, the State of Utah, Division of Oil, Gas and Mining has the authority to call the Certificate on demand, for the full amount of \$100,000. Any loss due to an early



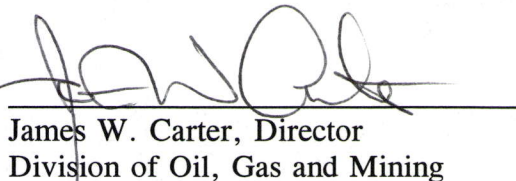
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Certificate of Deposit
M/47/002

redemption penalty will be the responsibility of Geokinetics Inc. and will not be the expense or responsibility of the State of Utah.

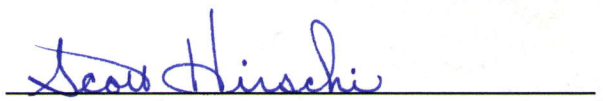
The Division Director's signature, James W. Carter (or the appropriate Division Director at that time), and the signature of Scott Hirschi (or the Authorized Agent for the School and Institutional Trust Lands Administration at that time), will be required to call the Certificate or release said funds back to Geokinetics Inc.

Frost National Bank will not be held liable for any dispute between the parties.
These rules pertain to the Certificate of Deposit Number: _____

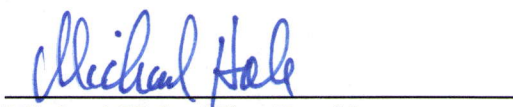
Agreed upon by:


James W. Carter, Director
Division of Oil, Gas and Mining

Tax I.D. Number: _____


Scott Hirschi, Director
School and Institutional Trust Lands Admin.

Tax I.D. Number: _____


Michael Hale, Vice President
Geokinetics Inc.

Tax I.D. Number: ____